

Hearing Date and Time: May 9, 2006, 10:00 am

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Local Union Nos. 18 and 832

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
DELPHI CORPORATION, <u>et al.</u> ,	:	Case No.05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	

DECLARATION OF ROGER STRUCKMAN
IN SUPPORT OF IUOE LOCAL UNION NOS. 18 AND 832 OPPOSITION
TO DELPHI'S MOTION FOR AUTHORITY TO REJECT
COLLECTIVE BARGAINING AGREEMENTS

1. I make this declaration in support of the Objections of IUOE Local 18- S to Delphi's Motion for Authority to Reject Collective Bargaining Agreements under 11 U.S. C § 1113 (c) and Motion to Modify Retiree Welfare Benefits under 11 U.S.C.§ 1114(g). Except as otherwise stated here, all of the facts I set forth in this declaration are based upon my personal

knowledge and/or my experience as a union steward. If called upon to testify I could and would testify to the facts set forth here.

2. I am the chief steward of the bargaining unit of stationary engineers at the Delphi Columbus plant. I have been employed as a stationary engineer at the Columbus plant since 1979. I have been the steward for 14 years. I and the 12 other members of the bargaining unit are all experienced licensed engineers, who have invested many years of service at the Columbus plant. We have two members with 35 years of service, one member with 29 years of service, one with 28 years of service, three with 27 years of service, one with 26 years of service, three with 12 years of service, one with eight years of service, and one with five years of service. Twelve of us were GM employees before the spin-off. We are all long term Ohio residents.

3. In my capacity as chief steward, I have consulted the members of the bargaining unit about the impact of Delphi's so called GM Consensual Proposals upon the members of the bargaining unit.

4. The proposals themselves have created a great deal of anxiety for me and the other members of the bargaining unit, as they are so indefinite we don't know where we stand. The situation is causing a great deal of stress in our relationships with our spouses on a daily basis. For example, the proposals call for us making contributions to our health plan but we don't know how much will be required of us. Five members with dependent children will have to pay for family coverage. The elimination of dental coverage alone will have a significant impact on me because my wife is having serious periodontal work. Even with the insurance it has already cost me close to two thousand dollars just for the surgery. .

5. We also understand that our wages will be cut by at least \$10.00 per hour in the first year of the agreement if GM doesn't provide funds to Delphi. We will get no cost of living

increases even though we are suffering right now because of inflation, and particularly the rising cost of gas. The initial wage cut alone will mean that my annual income and that of the other members of the bargaining unit will be reduced by over \$20,000 per year. The combined effect of the wage cuts, benefit cuts and increased benefit costs will mean economic losses in the magnitude of more than \$30,000 per year and will make the difference in every detail of our families' lives. Because the plant is kept at minimum staffing levels, we are required to work a lot of overtime, if we were to accept Delphi's right to determine unilaterally what they are going to outsource or give to temporary employees, we would lose upwards of \$40,000 a year in income. There isn't anyone who could survive taking that pay cut.

6. I have one child who is in college and one whose college loans I am still paying off. As it is I am sending one daughter to community college for the first two years because I can't afford the full four year program in marine biology that she wants to attend. If I have to take a wage cut, I don't know how I will continue to pay for her education. Another member of our unit is also paying college tuition and will be in hardship position with the cuts proposed by Delphi. One of our members is going to college using the Delphi tuition assistance program that Delphi proposes to eliminate. He and I both use the tuition assistance program for our children that Delphi proposes to eliminate. We have three more members that counted on using the tuition assistance programs in the future and who have stayed in the plant and planned for the future on that basis. One member is supporting his older daughter and a grandchild because his daughter is unable to work because of her health.

7. For all 13 members, Delphi's proposal to freeze the defined benefit plan and replace it with defined contribution accounts, with base contribution amounts unknown, means that any hope they have for income security in retirement is destroyed. The wage cuts, coupled

with the requirement to contribute for health insurance, the loss of other benefits, means that they will not be able to save for retirement, so the defined contribution plan is of little meaning.

8. Ten to twelve of the members are concerned that they will have to file for personal bankruptcy if they lose their health insurance and suffer the wage and benefit cuts Delphi is proposing. We anticipate having to sell our homes.

9. Many of us have genetic conditions in our families that make the provision of health insurance of critical importance, including heart conditions, cancer history. One of our members' wives has multiple sclerosis and he and his wife have heart related conditions. Two members are diabetic, and one member's wife has emphysema. Other members have significant chronic health conditions that require medication and regular care. We have counted on having good affordable health insurance throughout retirement and Delphi's decision to reduce our health insurance and eliminate retiree health insurance puts all of us at significant risk of being unable to afford medical care unless we qualify for Medicaid.

10. Ten to twelve of us have figured that we will need to take second jobs if Delphi puts its proposed cuts in place. The average age of our member is 47. I am 48 and the oldest is 68. It will be very difficult for us to find jobs at our age. The work we do has caused all of us to acquire physical limitations ranging from hearing loss, to carpal tunnel syndrome, to back problems. We are concerned that we will have to uproot our families and move out of state to find jobs. This will mean an additional emotional and financial cost.

I declare under penalty of perjury and pursuant to 28 U.S. C. § 1746 that the foregoing is true and correct to the best of my knowledge, information and belief.

Executed this 16th day of May, 2006.

/s/
Roger Struckman